REMARKS

In response to the Office Action dated June 15, 2007, claim 19, 20, 22, and 26 are amended, claims 1-18 are cancelled without prejudice, and claims 23-25 are withdrawn. Claims 19-22 and 26 are now active in this application. No new matter has been added. The amendments to claim 19 are supported, at a minimum, by elements 201, 203, and 205 of FIG. 2, as well as page 12, line 24 to page 13, line 5 of the specification.

Independent claim 19 and dependent claims 21 and 26 are rejected under 35 U.S.C. § 102(a) as unpatentable over Hofschen et al. (WO 99/00962, hereinafter "Hofschen"). This rejection is traversed.

Dependent claims 20 and 22 are rejected under 35 U.S.C. § 103 as unpatentable over Hofschen in view of in view of Chin (US 5,661,788). This rejection is traversed.

Amended independent claim 19 recites, in pertinent part, "talking portion; music replay portion, for superposing a talking voice of telephone communication on replayed music in the process of music replay by said music replay portion when making said telephone communication through said talking portion during said music replay by said music replay portion; and volume control portion for controlling the volume of said replayed music and the volume of said talking voice of the telephone communication; and said volume control portion includes a talking volume adjusting part, a music volume adjusting part and a control part controlling said talking volume adjusting part and said music volume adjusting part."

As is well known, anticipation under 35 U.S.C. § 102 requires that "each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference." *Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631, 2 USPQ 2d 1051, 1053 (Fed Cir. 1987). The elements must be arranged as required by the claim, *In re*

Bond, 910 F. 2d 831, 15 USPQ2d 1566 (Fed. Cir. 1990). At a minimum, the cited prior art does not disclose (expressly or inherently) the above recited limitation.

The Office Action, at pages 2 and 3, asserts that Hofschen discloses all of the elements of claim 19 at FIG. 1, FIG. 2, column 12 at lines 15-16, abstract, and page 7 at line 16 to page 10 at line 5. Specifically, the Office Action asserts that element LRS in FIG. 2 can inherently control the volume of the replayed music and the volume of the telephone communication.

However, "[i]n relying upon the theory of inherency, the examiner must provide a basis in fact and/or technical reasoning to reasonably support the determination that the allegedly inherent characteristic necessarily flows form the teachings of the applied prior art." *Ex parte Levy*, 17 USPQ2d 1461, 1464 (Bd. Pat. App. & Inter. 1990) (emphasis in original). See MPEP 2112(IV). The assertions of inherency in the Office Action lack adequate basis in fact and/or technical reasoning, and are all traversed by the Applicants.

Hofschen, at page 9, merely states, "the volume control is designated with LSR... volume control LSR can, however, be advantageously also mounted on an earpiece set GAR."

Further, Hofschen, at page 6, merely states, "the control unit can weaken or set to zero the output signal of the audio unit AUD during incoming or outgoing calls."

Further, claim 19, as amended, recites that the volume control portion includes three parts: a talking volume adjusting part, a music volume adjusting part, and a control part controlling said talking volume adjusting part and said music volume adjusting part.

In contrast, Hofschen merely states, as discussed above, "the volume control is designated with LSR... volume control LSR can, however, be advantageously also mounted on an earpiece set GAR," and "the control unit can weaken or set to zero the output signal of the audio unit AUD during incoming or outgoing calls."

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Thus, Applicant submits that independent claim 19 is not anticipated by Hofschen.

Additionally, the other cited art does not remedy the deficiencies of Hofschen.

Under Federal Circuit guidelines, a dependent claim is allowable if the independent claim upon which it depends is allowable because all the limitations of the independent claim are contained in the dependent claims, *Hartness International Inc. v. Simplimatic Engineering Co.*, 819 F.2d at 1100, 1108 (Fed. Cir. 1987). Accordingly, as independent claim 19 is allowable for the reasons set forth above, it is respectfully submitted that all claims dependent thereon are also patentable.

Thus, it is respectfully submitted that dependent claims 20-22, and 26 are also allowable for at least the same reasons as independent claim 19.

Accordingly, it is urged that the application, as now amended, is in condition for allowance, an indication of which is respectfully solicited. If there are any outstanding issues that might be resolved by an interview or an Examiner's amendment, Examiner is requested to call Applicants' attorney at the telephone number shown below.

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To the extent necessary, a petition for an extension of time under 37 C.F.R. 1.136 is hereby made. Please charge any shortage in fees due in connection with the filing of this paper, including extension of time fees, to Deposit Account 500417 and please credit any excess fees to such deposit account.

Respectfully submitted,

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